

**Deborah.Easterling**

238559

**From:** Deborah.Easterling  
**Sent:** Wednesday, August 22, 2012 4:15 PM  
**To:** 'John Sherwood'  
**Subject:** RE: Letter\_of\_Protest\_Form\_pub\_0001.pdf

Dear Mr. Sherwood,

This is to acknowledge receipt of your email to the Public Service Commission. I am forwarding your email and Letter of Protest to our Clerk's Office for processing. Your email and Letter of Protest will become a part of Docket No. 2012-177-WS and will be posted on our website under this docket.

Please let me know if you should require any additional information.

Sincerely,

Deborah Easterling  
Administrative Assistant

**From:** John Sherwood [<mailto:johnsherwood@tegacay.biz>]  
**Sent:** Tuesday, August 21, 2012 5:49 PM  
**To:** PSC\_Contact  
**Cc:** [dpieper@tegacay.com](mailto:dpieper@tegacay.com); 'TC Water Citizen Advisory Council'  
**Subject:** Letter\_of\_Protest\_Form\_pub\_0001.pdf

Please accept my letter of protest form and the attachment as one submission for the proposed TCWS rate hike request known as Docket 2012-177-WS.

Sincerely,  
John Sherwood  
11168 Watertrace Drive, Tega Cay, SC, 29708



\* Required Fields

Date: \* August 21, 2012

**Letter of Protest**  
**in Docket 2012 - 177 - WS**

**Print**

**Email**

**Protestant Information:**

Name \* John Sherwood

Mailing Address \* 11168 Watertrace Drive

City, State Zip \* Tega Cay, SC 29708 Phone \* 803 493-4123

E-mail johnsherwood@tegacay.biz

**1. What is your connection or interest in this case? \* For example, are you a customer of the Company that is the subject of this pending proceeding? (This section must be completed. Attach additional information if necessary.)**

I am a customer on the Tega Cay Water Service system that is requesting a rate hike.

**2. Please give a concise statement of your protest. \* (This section must be completed. Attach additional information if necessary.)**

I am protesting the rate hike request by our water & sewer provider known as Tega Cay Water Service. This company has been awarded rate increases and permits, as recently as 2010, over the objection of customers and concern of the Catawba Riverkeeper. TCWS has been the source of many issues with sewage overflow into the lake and surrounding properties. DHEC [or other governmental agency] had even required that they reduce the frequency and effects of these overflows. From memory, the public meetings held in 2010 showed they were supposed to achieve certain benchmarks from previous operational deficiencies that were not met. The TCWS was given the permit [and a rate hike] with the understanding it was to operate with various new benchmarks.

{continued on the attached page}

**3. Do you wish to make an appearance at a hearing in this proceeding , if scheduled, and offer sworn testimony? \***

I would like to attend, but do not desire to offer sworn testimony.

## Letter of Protest

Public Service Commission of South Carolina  
101 Executive Center Dr., Suite 100  
Columbia, SC 29210  
Phone: 803-896-5100  
Fax: 803-896-5199  
[www.psc.sc.gov](http://www.psc.sc.gov)

Docket: 2012-177-WS

I am protesting the rate hike request by our water & sewer provider known as Tega Cay Water Service. This company has been awarded rate increases and permits, as recently as 2010, over the objection of customers and concern of the Catawba Riverkeeper. TCWS has been the source of many issues with sewage overflow into the lake and surrounding properties. DHEC [or other governmental agency] had even required that they reduce the frequency and effects of these overflows. From memory, the public meetings held in 2010 showed they were supposed to achieve certain benchmarks from previous operational deficiencies that were not met. The TCWS was given the permit [and a rate hike] with the understanding it was to operate with various new benchmarks.

The 2012 letter, provided by TCWS, is an attempt to validate the requested rate hike. It highlights costs borne as a result of additional testing, oversight and compliance monitoring [my words]. This is absurd. The company has additional expenses to comply with a "punitive" action that resulted from their own negligence or poor management. This operation should have been performing regular maintenance and preventive measures while allocating adequate funds for proper maintenance and depreciation annually. Instead, the system has been allowed to depreciate and deteriorate while cash was harvested from the entity. This method of management should not be rewarded with additional customer funds to bail-out their failed oversight. Many customers have been hit by hard economic times or live on a fixed income and will have difficulty in absorbing this inflated rate request.

Consider the appearance of this situation;

- TCWS can operate at the highest margin possible by failing to invest and maintain a system.
- The system deteriorates due to poor management or negligence.
- The provider is penalized for poor management and results.
- The company invests money to perform the minimum required up-fit in a "band-aid" style repair to satisfy the regulators.
- Customers get a product that is similar or lower quality than that which caused regulators to act in the first place. [temporarily meets benchmarks but will shortly have similar or worse issues e.g. roots will grow back thicker and may further breach the pipe walls].
- Company asks for money invested to fix their previous errors and help pay for the added costs related to monitoring their deficient system.

If these funds are awarded, the company will only have suffered an "opportunity cost" related to the cash investment that bridged from the precious rate hike to current day. Effectively, the company that performs poorly enough to just barely operate while maximizing profitability is rewarded the most. This is not rational and should not be reinforced by the approval of this rate hike request.

John Sherwood – 11168 Watertrace Drive, Tega Cay, SC, 29708